

TEXAS POLLUTANT DISCHARGE ELIMINATION SYSTEM

CHAPTER 7

PROGRAM COSTS AND FUNDING DESCRIPTION

The federal NPDES program regulations require that a state seeking assumption provide a description of the staff who will carry out the state program and an estimate of the costs of establishing and administering the program for the first two years after approval.

A. Sources of Funding

The TNRCC's existing program includes sources of revenue from fee collections, federal grants, and from state general revenue. The specific sources of funding for the existing wastewater permitting and compliance monitoring program, including the continuation of this existing funding for the first two years after program assumption, include, on an annual basis:

CWA Section 106 Grant	\$6,748,375
CWA Section 604(b) Grant	\$110,360
CWA Section 319 Grant	\$365,570
Waste Treatment Inspection Fee	\$2,348,376
Municipal Solid Waste Disposal Fee	\$210,475
Air Quality Fund	\$65,824
State General Revenue	\$2,582,079

Additional funds above the amount described for existing program operations will be available to the TNRCC at time of program assumption. These funds are authorized by state statute (Water Code §26.0291)

to assess an annual fee against each entity holding a permit issued by the state for the treatment or discharge of wastewater (known as the Waste Treatment Inspection Fee). These fees are deposited to a dedicated account in the state's general revenue fund and are restricted by law to the support of the TNRCC's wastewater permitting and enforcement programs. The maximum annual fee currently authorized is \$11,000 for any individual permit. Contingent upon assuming the NPDES program, the TNRCC is authorized to increase the maximum annual fee to \$25,000 and to collect additional fees to recover the costs of the delegated program. State law further provides that no wastewater permit fee for a local government shall be increased under this provision prior to August 31, 1999. Upon expiration of the local government exemption from increased fee assessments on August 31, 1999, the TNRCC will determine the appropriate contributions to be made by units of local government to the NPDES program, possibly re-distributing assessments from non-domestic permittees to local governments. State rules regarding the assessment of fees and the calculation of fees is found in 30 TAC §§305.501 - 305.507. The Texas Legislature approved an appropriation rider during the 1997 legislative session which authorizes an additional \$2,820,457 in year one and \$2,763,971 in year two for the purpose of using the additional fee revenue generated to fund the TPDES functions. All additional funding for TPDES functions above existing funding will have its source from this fee revenue.

B. Summary of Program Costs

Table 1 summarizes the TPDES estimated annual program cost which is estimated to be incurred in each of the first two years after program assumption. Table 2 summarizes the costs for additional staff required for program implementation. The costs anticipated for each year are fully annualized costs. Fringe benefits are calculated to be 29% of salaries. Indirect costs are calculated at 31.4% of salaries. The category of Other Operating Expenses includes professional services, maintenance expenses and other miscellaneous costs. For purposes of estimation, the costs for program year one which will not carry forward to program year two are specified. These include one time equipment costs.

C. Staffing and Job Descriptions

Table 3, entitled *Organizational Structure and Resources for the TPDES Program* summarizes for each division or major program area the functional job descriptions for all employees identified by cost in Tables 1 and 2. Appendix 7-A provides a detailed description of the job duties relating to the TPDES program which will be carried out. Table 3 also specifies as a cross-reference each official state classification title and number which corresponds to the TPDES functional job description. Appendix 7-B includes the description of each classification, including:

- a general description of the classification;
- fairly generic examples of work performed;
- minimum qualifications for a person needed to hold a position so classified; and
- the knowledge, skills, and abilities a person in the classification must possess.

Table 3 also summarizes for each functional job description the number of existing full-time employees (FTEs) who hold each position type and the number of FTEs which will be added at the time of program assumption.